

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 6464

Chapter 248, Laws of 2002

(partial veto)

57th Legislature
2002 Regular Session

CITY TRANSPORTATION AUTHORITY--MONORAIL TRANSPORTATION

EFFECTIVE DATE: 6/13/02

Passed by the Senate February 18, 2002
YEAS 26 NAYS 23

BRAD OWEN
President of the Senate

Passed by the House March 8, 2002
YEAS 90 NAYS 6

FRANK CHOPP
**Speaker of the
House of Representatives**

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6464** as passed by the Senate and the House of Representatives on the dates hereon set forth.

TONY M. COOK
Secretary

Approved March 29, 2002, with the exception of sections 7 and 18, which are vetoed.

GARY LOCKE
Governor of the State of Washington

FILED

March 29, 2002 - 3:43 p.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 6464

Passed Legislature - 2002 Regular Session

State of Washington 57th Legislature 2002 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators
Jacobsen, Horn and Kohl-Welles)

READ FIRST TIME 02/12/2002.

1 AN ACT Relating to city transportation authority; amending RCW
2 84.52.010 and 84.52.052; adding a new chapter to Title 36 RCW; and
3 creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The definitions in this section apply
6 throughout this chapter unless the context clearly requires otherwise.

7 (1) "Authority" means a city transportation authority created
8 pursuant to this act.

9 (2) "Authority area" means the territory within a city as
10 designated in the ordinance creating the authority.

11 (3) "Bonds" means bonds, notes, or other evidences of indebtedness.

12 (4) "Public monorail transportation function" means the
13 transportation of passengers and their incidental baggage by means of
14 public monorail transportation facilities as authorized in this
15 chapter.

16 (5) "Public monorail transportation facilities" means a
17 transportation system that utilizes train cars running on a guideway,
18 together with the necessary passenger stations, terminals, parking
19 facilities, related facilities or other properties, and facilities

1 necessary and appropriate for passenger and vehicular access to and
2 from people-moving systems, not including fixed guideway light rail
3 systems.

4 (6) "Qualified elector" means any person registered to vote within
5 the city boundaries.

6 NEW SECTION. **Sec. 2.** (1) A city transportation authority to
7 perform a public monorail transportation function may be created in
8 every city with a population greater than three hundred thousand to
9 perform a public monorail transportation function. The authority shall
10 embrace all the territory in the authority area. A city transportation
11 authority is a municipal corporation, an independent taxing "authority"
12 within the meaning of Article 7, section 1 of the state Constitution,
13 and a "taxing district" within the meaning of Article 7, section 2 of
14 the state Constitution.

15 (2) Any city transportation authority and proposed taxes
16 established pursuant to this chapter, either by ordinance or petition
17 as provided in this chapter, must be approved by a majority vote of the
18 electors residing within the proposed authority area voting at a
19 regular or special election.

20 NEW SECTION. **Sec. 3.** (1) A city that undertakes to propose
21 creation of an authority must propose the authority by ordinance of the
22 city legislative body. The ordinance must:

23 (a) Propose the authority area and the size and method of selection
24 of the governing body of the authority, which governing body may be
25 appointed or elected, provided that officers or employees of any single
26 city government body may not compose a majority of the members of the
27 authority's governing body;

28 (b) Propose whether all or a specified portion of the public
29 monorail transportation function will be exercised by the authority;

30 (c) Propose an initial array of taxes to be voted upon by the
31 electors within the proposed authority area; and

32 (d) Provide for an interim governing body of the authority which
33 will govern the authority upon voter approval of formation of the
34 authority, until a permanent governing body is selected, but in no
35 event longer than fourteen months.

36 (2) An authority may also be proposed to be created by a petition
37 setting forth the matters described in subsection (1) of this section,

1 and signed by one percent of the qualified electors of the proposed
2 authority area.

3 (3) Upon approval by the qualified electors of the formation of the
4 city transportation authority and any proposed taxes, either by
5 ordinance or by petition as provided in this chapter, the governing
6 body of an authority, or interim governing body, as applicable, will
7 adopt bylaws determining, among other things, the authority's officers
8 and the method of their selection, and other matters the governing body
9 deems appropriate.

10 NEW SECTION. **Sec. 4.** The authority is subject to all standard
11 requirements of a governmental entity pursuant to RCW 35.21.759.

12 NEW SECTION. **Sec. 5.** Every authority has the following powers:

13 (1) To acquire by purchase, condemnation, gift, or grant and to
14 lease, construct, add to, improve, replace, repair, maintain, operate,
15 and regulate the use of public monorail transportation facilities,
16 including passenger terminal and parking facilities and properties, and
17 other facilities and properties as may be necessary for passenger and
18 vehicular access to and from public monorail transportation facilities,
19 together with all lands, rights of way, and property within or outside
20 the authority area, and together with equipment and accessories
21 necessary or appropriate for these facilities, except that property,
22 including but not limited to other types of public transportation
23 facilities, that is owned by any city, county, county transportation
24 authority, public transportation benefit area, metropolitan municipal
25 corporation, or regional transit authority may be acquired or used by
26 an authority only with the consent of the public entity owning the
27 property. The entities are authorized to convey or lease property to
28 an authority or to contract for their joint use on terms fixed by
29 agreement between the entity and the authority;

30 (2) To fix rates, tolls, fares, and charges for the use of
31 facilities and to establish various routes and classes of service.
32 Rates, tolls, fares, or charges may be adjusted or eliminated for any
33 distinguishable class of users including, but not limited to, senior
34 citizens and handicapped persons;

35 (3) To contract with the United States or any of its agencies, any
36 state or any of its agencies, any metropolitan municipal corporation,
37 and other country, city, other political subdivision or governmental

1 instrumentality, or governmental agency, or any private person, firm,
2 or corporation for the purpose of receiving any gifts or grants or
3 securing loans or advances for preliminary planning and feasibility
4 studies, or for the design, construction, operation, or maintenance of
5 public monorail transportation facilities as follows:

6 (a) Notwithstanding the provisions of any law to the contrary, and
7 in addition to any other authority provided by law, the governing body
8 of a city transportation authority may contract with one or more
9 vendors for the design, construction, operation, or maintenance, or
10 other service related to the development of a monorail public
11 transportation system including, but not limited to, monorail trains,
12 operating systems and control equipment, guideways, and pylons,
13 together with the necessary passenger stations, terminals, parking
14 facilities, and other related facilities necessary and appropriate for
15 passenger and vehicular access to and from the monorail train.

16 (b) If the governing body of the city transportation authority
17 decides to proceed with the consideration of qualifications or
18 proposals for services from qualified vendors, the authority must
19 publish notice of its requirements and request submission of
20 qualifications statements or proposals. The notice must be published
21 in the official newspaper of the city creating the authority at least
22 once a week for two weeks, not less than sixty days before the final
23 date for the submission of qualifications statements or proposals. The
24 notice must state in summary form: (i) The general scope and nature of
25 the design, construction, operation, maintenance, or other services
26 being sought related to the development of the proposed monorail, tram,
27 or trolley public transportation system; (ii) the name and address of
28 a representative of the city transportation authority who can provide
29 further details; (iii) the final date for the submission of
30 qualifications statements or proposals; (iv) an estimated schedule for
31 the consideration of qualifications statements or proposals, the
32 selection of vendors, and the negotiation of a contract or contracts
33 for services; (v) the location of which a copy of any requests for
34 qualifications statements or requests for proposals will be made
35 available; and (vi) the criteria established by the governing body of
36 the authority to select a vendor or vendors, which may include, but is
37 not limited to, the vendor's prior experience, including design,
38 construction, operation, or maintenance of other similar public
39 transportation facilities, respondent's management capabilities,

1 proposed project schedule, availability and financial resources, costs
2 of the services to be provided, nature of facility design proposed by
3 the vendors, system reliability, performance standards required for the
4 facilities, compatibility with existing public transportation
5 facilities operated by the authority or any other public body or other
6 providers of similar services to the public, project performance
7 guarantees, penalties, and other enforcement provisions, environmental
8 protection measures to be used by the vendor, consistency with the
9 applicable regional transportation plans, and the proposed allocation
10 of project risks.

11 (c) If the governing body of the city transportation authority
12 decides to proceed with the consideration of qualifications statements
13 or proposals submitted by vendors, it may designate a representative to
14 evaluate the vendors who submitted qualifications statements or
15 proposals and conduct discussions regarding qualifications or proposals
16 with one or more vendors. The governing body or its representative may
17 request submission of qualifications statements and may later request
18 more detailed proposals from one or more vendors who have submitted
19 qualifications statements, or may request detailed proposals without
20 having first received and evaluated qualifications statements. The
21 governing body or its representative will evaluate the qualifications
22 or proposals, as applicable. If two or more vendors submit
23 qualifications or proposals that meet the criteria established by the
24 governing body of the authority, discussions and interviews must be
25 held with at least two vendors. Any revisions to a request for
26 qualifications or request for proposals must be made available to all
27 vendors then under consideration by the governing body of the authority
28 and must be made available to any other person who has requested
29 receipt of that information.

30 (d) Based on the criteria established by the governing body of the
31 authority, the representative will recommend to the governing body a
32 vendor or vendors that are initially determined to be the best
33 qualified to provide one or more of the design, construction, operation
34 or maintenance, or other service related to the development of the
35 proposed monorail public transportation system.

36 (e) The governing body of the authority or its representative may
37 attempt to negotiate a contract with the vendor or vendors selected for
38 one or more of the design, construction, operation or maintenance, or
39 other service related to the development of the proposed monorail

1 public transportation system on terms that the governing body of the
2 authority determines to be fair and reasonable and in the best interest
3 of the authority. If the governing body, or its representative, is
4 unable to negotiate a contract with any one or more of the vendors
5 first selected on terms that it determines to be fair and reasonable
6 and in the best interest of the authority, negotiations with any one or
7 more of the vendors must be terminated or suspended and another
8 qualified vendor or vendors may be selected in accordance with the
9 procedures set forth in this section. If the governing body decides to
10 continue the process of selection, negotiations will continue with a
11 qualified vendor or vendors in accordance with this section at the sole
12 discretion of the governing body of the authority until an agreement is
13 reached with one or more qualified vendors, or the process is
14 terminated by the governing body. The process may be repeated until an
15 agreement is reached.

16 (f) Prior to entering into a contract with a vendor, the governing
17 body of the authority must make written findings, after holding a
18 public hearing on the proposal, that it is in the public interest to
19 enter into the contract, that the contract is financially sound, and
20 that it is advantageous for the governing body of the authority to use
21 this method for awarding contracts for one or more of the design,
22 construction, or operation or maintenance of the proposed monorail
23 public transportation system as compared to all other methods of
24 awarding such contracts.

25 (g) Each contract must include a project performance bond or bonds
26 or other security by the vendor.

27 (h) The provisions of chapters 39.12 and 39.19 RCW apply to a
28 contract entered into under this section as if the public
29 transportation systems and facilities were owned by a public body.

30 (i) The vendor selection process permitted by this section is
31 supplemental to and is not construed as a repeal of or limitation on
32 any other authority granted by law.

33 (j) Contracts for the construction of facilities, other than
34 contracts for facilities to be provided by the selected vendor, with an
35 estimated cost greater than two hundred thousand dollars must be
36 awarded after a competitive bid process consistent with chapter 39.04
37 RCW or awarded through an alternative public works contracting
38 procedure consistent with chapter 39.10 RCW;

1 (4) To contract with the United States or any of its agencies, any
2 state or any of its agencies, any metropolitan municipal corporation,
3 any other county, city, other political subdivision or governmental
4 instrumentality, any governmental agency, or any private person, firm,
5 or corporation for the use by either contracting party of all or any
6 part of the facilities, structures, lands, interests in lands, air
7 rights over lands, and rights of way of all kinds which are owned,
8 leased, or held by the other party and for the purpose of planning,
9 designing, constructing, operating any public transportation facility,
10 or performing any service related to transportation which the authority
11 is authorized to operate or perform, on terms as may be agreed upon by
12 the contracting parties;

13 (5) To acquire any existing public transportation facility by
14 conveyance, sale, or lease. In any acquisition from a county, city, or
15 other political subdivision of the state, the authority will receive
16 credit from the county or city or other political subdivision for any
17 federal assistance and state matching assistance used by the county or
18 city or other political subdivision in acquiring any portion of the
19 public transportation facility. Upon acquisition, the authority must
20 assume and observe all existing labor contracts relating to the public
21 transportation facility and, to the extent necessary for operation of
22 the public transportation facility, all of the employees of the public
23 transportation facility whose duties are necessary to efficiently
24 operate the public transportation facility must be appointed to
25 comparable positions to those which they held at the time of the
26 transfer, and no employee or retired or pensioned employee of the
27 public transportation facility will be placed in any worse position
28 with respect to pension seniority, wages, sick leave, vacation, or
29 other benefits than he or she enjoyed as an employee of the public
30 transportation facility prior to the acquisition. Furthermore, the
31 authority must engage in collective bargaining with the duly appointed
32 representatives of any employee labor organization having existing
33 contracts with the acquired facility and may enter into labor contracts
34 with the employee labor organization;

35 (6) To contract for, participate in, and support research,
36 demonstration, testing, and development of public monorail
37 transportation facilities, equipment, and use incentives, and have all
38 powers necessary to comply with any criteria, standards, and
39 regulations which may be adopted under state and federal law, and to

1 take all actions necessary to meet the requirements of those laws. The
2 authority has, in addition to these powers, the authority to prepare,
3 adopt, and carry out a comprehensive public monorail plan and to make
4 other plans and studies and to perform programs as the authority deems
5 necessary to implement and comply with those laws;

6 (7) To establish local improvement districts within the authority
7 area to finance public monorail transportation facilities, to levy
8 special assessments on property specially benefited by those
9 facilities, and to issue local improvement bonds to be repaid by the
10 collection of local improvement assessments. The method of
11 establishment, levying, collection, enforcement, and all other matters
12 relating to the local improvement districts, assessments, collection,
13 and bonds are as provided in the statutes governing local improvement
14 districts of cities and towns. The duties devolving upon the city
15 treasurer in those statutes are imposed on the treasurer of the
16 authority;

17 (8) To exercise all other powers necessary and appropriate to carry
18 out its responsibilities, including without limitation the power to sue
19 and be sued, to own, construct, purchase, lease, add to, and maintain
20 any real and personal property or property rights necessary for the
21 conduct of the affairs of the authority, to enter into contracts, and
22 to employ the persons as the authority deems appropriate. An authority
23 may also sell, lease, convey, or otherwise dispose of any real or
24 personal property no longer necessary for the conduct of the affairs of
25 the authority.

26 NEW SECTION. **Sec. 6.** Each authority will establish necessary and
27 appropriate funds and accounts consistent with the uniform system of
28 accounts developed pursuant to RCW 43.09.210. The authority may
29 designate a treasurer or may contract with any city with territory
30 within the authority area for treasury and other financial functions.
31 The city must be reimbursed for the expenses of treasury services.
32 However, no city whose treasurer serves as treasurer of an authority is
33 liable for the obligations of the authority.

34 *NEW SECTION. **Sec. 7.** *The authority must adopt a public*
35 *transportation plan for public transportation facilities to be provided*
36 *by the authority and the facilities must be provided substantially in*
37 *accordance with that plan. The plan, and any adopted plan amendments,*

1 *will be submitted for approval to the legislative authority of the*
2 *city. Prior to adoption of the plan, the authority will provide a*
3 *minimum of sixty days during which sufficient public hearings will be*
4 *held to provide interested persons an opportunity to participate in*
5 *development of the plan. The plan or any amendment is not effective*
6 *until approval is granted or until ninety days has elapsed since the*
7 *plan or amendment has been submitted for approval and the city has*
8 *neither approved nor disapproved the plan or amendment within those*
9 *ninety days. The plan as approved by the legislative authority, or*
10 *after the passage of ninety days, when the vote has neither been*
11 *approved nor disapproved, shall be put before the qualified electors of*
12 *the authority area.*

13 **Sec. 7 was vetoed. See message at end of chapter.*

14 NEW SECTION. **Sec. 8.** Every authority has the power to:

15 (1) Levy excess levies upon the property included within the
16 authority area, in the manner prescribed by Article VII, section 2 of
17 the state Constitution and by RCW 84.52.052 for operating funds,
18 capital outlay funds, and cumulative reserve funds;

19 (2) Issue general obligation bonds, not to exceed an amount,
20 together with any outstanding nonvoter-approved general obligation
21 indebtedness equal to one and one-half percent of the value of the
22 taxable property within the authority area, as the term "value of the
23 taxable property" is defined in RCW 39.36.015. An authority may
24 additionally issue general obligation bonds, together with outstanding
25 voter-approved and nonvoter-approved general obligation indebtedness,
26 equal to two and one-half percent of the value of the taxable property
27 within the authority area, as the term "value of the taxable property"
28 is defined in RCW 39.36.015, when the bonds are approved by three-
29 fifths of the qualified electors of the authority at a general or
30 special election called for that purpose and may provide for the
31 retirement thereof by levies in excess of dollar rate limitations in
32 accordance with the provisions of RCW 84.52.056. These elections will
33 be held as provided in RCW 39.36.050;

34 (3) Issue revenue bonds payable from any revenues other than taxes
35 levied by the authority, and to pledge those revenues for the repayment
36 of the bonds. Proceeds of revenue bonds may only be expended for the
37 costs of public monorail transportation facilities, for financing
38 costs, and for capitalized interest during construction plus six months

1 thereafter. The bonds and warrants will be issued and sold in
2 accordance with chapter 39.46 RCW.

3 No bonds issued by an authority are obligations of any city,
4 county, or the state of Washington or any political subdivision thereof
5 other than the authority, and the bonds will so state, unless the
6 legislative authority of any city or county or the legislature
7 expressly authorizes particular bonds to be either guaranteed by or
8 obligations of its respective city or county or of the state.

9 NEW SECTION. **Sec. 9.** (1) Every authority has the power to levy
10 and collect a special excise tax not exceeding two and one-half percent
11 on the value of every motor vehicle owned by a resident of the
12 authority area for the privilege of using a motor vehicle. Before
13 utilization of any excise tax money collected under this section for
14 acquisition of right of way or construction of a public monorail
15 transportation facility on a separate right of way, the authority must
16 adopt rules affording the public an opportunity for corridor public
17 hearings and design public hearings, which provide in detail the
18 procedures necessary for public participation in the following
19 instances: (a) Prior to adoption of location and design plans having
20 a substantial social, economic, or environmental effect upon the
21 locality upon which they are to be constructed; or (b) on the public
22 transportation facilities operating on a separate right of way whenever
23 a substantial change is proposed relating to location or design in the
24 adopted plan. In adopting rules the authority must adhere to the
25 provisions of the administrative procedure act.

26 (2) A "corridor public hearing" is a public hearing that: (a) Is
27 held before the authority is committed to a specific route proposal for
28 the public transportation facility, and before a route location is
29 established; (b) is held to afford an opportunity for participation by
30 those interested in the determination of the need for, and the location
31 of, the public transportation facility; and (c) provides a public forum
32 that affords a full opportunity for presenting views on the public
33 transportation facility route location, and the social, economic, and
34 environmental effects on that location and alternate locations.
35 However, the hearing is not deemed to be necessary before adoption of
36 a transportation plan as provided in section 7 of this act or a vote of
37 the qualified electors under subsection (5) of this section.

1 (3) A "design public hearing" is a public hearing that: (a) Is
2 held after the location is established but before the design is
3 adopted; (b) is held to afford an opportunity for participation by
4 those interested in the determination of major design features of the
5 public monorail transportation facility; and (c) provides a public
6 forum to afford a full opportunity for presenting views on the public
7 transportation system design, and the social, economic, and
8 environmental effects of that design and alternate designs, including
9 people-mover technology.

10 (4) An authority imposing a tax under subsection (1) of this
11 section may also impose a sales and use tax, in addition to any tax
12 authorized by RCW 82.14.030, upon retail car rentals within the city
13 that are taxable by the state under chapters 82.08 and 82.12 RCW. The
14 rate of tax must not exceed 1.944 percent of the base of the tax. The
15 base of the tax will be the selling price in the case of a sales tax or
16 the rental value of the vehicle used in the case of a use tax. The
17 revenue collected under this subsection will be distributed in the same
18 manner as sales and use taxes under chapter 82.14 RCW.

19 (5) Before any authority may impose any of the taxes authorized
20 under this section, the authorization for imposition of the taxes must
21 be approved by the qualified electors of the authority area.

22 NEW SECTION. Sec. 10. (1) Every authority has the power to fix
23 and impose a fee, not to exceed one hundred dollars per vehicle, for
24 each vehicle that is subject to relicensing tab fees under RCW
25 46.16.0621 and for each vehicle that is subject to RCW 46.16.070 with
26 an unladen weight of six thousand pounds or less, and that is
27 determined by the department of licensing to be registered within the
28 boundaries of the authority area. The department of licensing must
29 provide an exemption from the fee for any vehicle the owner of which
30 demonstrates is not operated within the authority area.

31 (2) The department of licensing will administer and collect the
32 fee. The department will deduct a percentage amount, as provided by
33 contract, not to exceed two percent of the taxes collected, for
34 administration and collection expenses incurred by it. The remaining
35 proceeds will be remitted to the custody of the state treasurer for
36 monthly distribution to the authority.

37 (3) The authority imposing this fee will delay the effective date
38 at least six months from the date the fee is approved by the qualified

1 voters of the authority area to allow the department of licensing to
2 implement administration and collection of the fee.

3 (4) Before any authority may impose any of the fees authorized
4 under this section, the authorization for imposition of the fees must
5 be approved by a majority of the qualified electors of the authority
6 area voting.

7 NEW SECTION. **Sec. 11.** (1) Every authority has the power to impose
8 annual regular property tax levies in an amount equal to one dollar and
9 fifty cents or less per thousand dollars of assessed value of property
10 in the authority area when specifically authorized to do so by a
11 majority of the voters voting on a proposition submitted at a special
12 election or at the regular election of the authority. A proposition
13 authorizing the tax levies will not be submitted by an authority more
14 than twice in any twelve-month period. Ballot propositions must
15 conform with RCW 29.30.111. The number of years during which the
16 regular levy will be imposed may be limited as specified in the ballot
17 proposition or may be unlimited in duration. In the event an authority
18 is levying property taxes, which in combination with property taxes
19 levied by other taxing districts subject to the limitations provided in
20 RCW 84.52.043 and 84.52.050, exceed these limitations, the authority's
21 property tax levy shall be reduced or eliminated consistent with RCW
22 84.52.010.

23 (2) The limitation in RCW 84.55.010 does not apply to the first
24 levy imposed under this section following the approval of the levies by
25 the voters under subsection (1) of this section.

26 NEW SECTION. **Sec. 12.** All taxes and fees levied and collected by
27 an authority must be used solely for the purpose of paying all or any
28 part of the cost of acquiring, designing, constructing, equipping,
29 maintaining, or operating public monorail transportation facilities or
30 contracting for the services thereof, or to pay or secure the payment
31 of all or part of the principal of or interest on any general
32 obligation bonds or revenue bonds issued for authority purposes. Until
33 expended, money accumulated in the funds and accounts of an authority
34 may be invested in the manner authorized by the governing body of the
35 authority, consistent with state law.

36 If any of the revenue from any tax or fee authorized to be levied
37 by an authority has been pledged by the authority to secure the payment

1 of any bonds as herein authorized, then as long as that pledge is in
2 effect the legislature will not withdraw from the authority the
3 authorization to levy and collect the tax or fee.

4 NEW SECTION. **Sec. 13.** The city transportation authority may be
5 dissolved by a vote of the people residing within the boundaries of the
6 authority if the authority is faced with significant financial
7 problems. Any referendum petition to dissolve the city transportation
8 authority must be filed with the city council and contain provisions
9 for dissolution of the authority. Within seven days, the city
10 prosecutor must review the validity of the petition and submit its
11 report to the petitioner and city council. If the petitioner's claims
12 are deemed valid by the city prosecutor, within ten days of the
13 petitioner's filing, the city council will confer with the petitioner
14 concerning the form and style of the petition, issue an identification
15 number for the petition, and write a ballot title for the measure. The
16 ballot title must be posed as a question and an affirmative vote on the
17 measure results in authority retention and a negative vote on the
18 measure results in the authority's dissolution. The petitioner will be
19 notified of the identification number and ballot title within this ten-
20 day period.

21 After this notification, the petitioner has ninety days in which to
22 secure on petition forms, the signatures of not less than fifteen
23 percent of the registered voters in the authority area and to file the
24 signed petitions with the filing officer. Each petition form must
25 contain the ballot title and the full text of the measure to be
26 referred. The filing officer will verify the sufficiency of the
27 signatures on the petitions. If sufficient valid signatures are
28 properly submitted, the filing officer shall submit the initiative to
29 the authority area voters at a general or special election held on one
30 of the dates provided in RCW 29.13.010 as determined by the city
31 council, which election will not take place later than one hundred
32 twenty days after the signed petition has been filed with the filing
33 officer.

34 NEW SECTION. **Sec. 14.** The special excise tax imposed under
35 section 9(1) of this act will be collected at the same time and in the
36 same manner as relicensing tab fees under RCW 46.16.0621 and section 10
37 of this act. Every year on January 1st, April 1st, July 1st, and

1 October 1st the department of licensing shall remit special excise
2 taxes collected on behalf of an authority, back to the authority, at no
3 cost to the authority. Valuation of motor vehicles for purposes of the
4 special excise tax imposed under section 9(1) of this act must be
5 consistent with chapter 82.44 RCW.

6 **Sec. 15.** RCW 84.52.010 and 1995 2nd sp.s. c 13 s 4 are each
7 amended to read as follows:

8 Except as is permitted under RCW 84.55.050, all taxes shall be
9 levied or voted in specific amounts.

10 The rate percent of all taxes for state and county purposes, and
11 purposes of taxing districts coextensive with the county, shall be
12 determined, calculated and fixed by the county assessors of the
13 respective counties, within the limitations provided by law, upon the
14 assessed valuation of the property of the county, as shown by the
15 completed tax rolls of the county, and the rate percent of all taxes
16 levied for purposes of taxing districts within any county shall be
17 determined, calculated and fixed by the county assessors of the
18 respective counties, within the limitations provided by law, upon the
19 assessed valuation of the property of the taxing districts
20 respectively.

21 When a county assessor finds that the aggregate rate of tax levy on
22 any property, that is subject to the limitations set forth in RCW
23 84.52.043 or 84.52.050, exceeds the limitations provided in either of
24 these sections, the assessor shall recompute and establish a
25 consolidated levy in the following manner:

26 (1) The full certified rates of tax levy for state, county, county
27 road district, and city or town purposes shall be extended on the tax
28 rolls in amounts not exceeding the limitations established by law;
29 however any state levy shall take precedence over all other levies and
30 shall not be reduced for any purpose other than that required by RCW
31 84.55.010. If, as a result of the levies imposed under RCW 84.52.069,
32 84.34.230, the portion of the levy by a metropolitan park district that
33 was protected under RCW 84.52.120, and 84.52.105, the combined rate of
34 regular property tax levies that are subject to the one percent
35 limitation exceeds one percent of the true and fair value of any
36 property, then these levies shall be reduced as follows: (a) The
37 portion of the levy by a metropolitan park district that is protected
38 under RCW 84.52.120 shall be reduced until the combined rate no longer

1 exceeds one percent of the true and fair value of any property or shall
2 be eliminated; (b) if the combined rate of regular property tax levies
3 that are subject to the one percent limitation still exceeds one
4 percent of the true and fair value of any property, then the levies
5 imposed under RCW 84.34.230, 84.52.105, and any portion of the levy
6 imposed under RCW 84.52.069 that is in excess of thirty cents per
7 thousand dollars of assessed value, shall be reduced on a pro rata
8 basis until the combined rate no longer exceeds one percent of the true
9 and fair value of any property or shall be eliminated; and (c) if the
10 combined rate of regular property tax levies that are subject to the
11 one percent limitation still exceeds one percent of the true and fair
12 value of any property, then the thirty cents per thousand dollars of
13 assessed value of tax levy imposed under RCW 84.52.069 shall be reduced
14 until the combined rate no longer exceeds one percent of the true and
15 fair value of any property or eliminated.

16 (2) The certified rates of tax levy subject to these limitations by
17 all junior taxing districts imposing taxes on such property shall be
18 reduced or eliminated as follows to bring the consolidated levy of
19 taxes on such property within the provisions of these limitations:

20 (a) First, the certified property tax levy rates of those junior
21 taxing districts authorized under RCW 36.68.525, 36.69.145, section 11
22 of this act, and 67.38.130 shall be reduced on a pro rata basis or
23 eliminated;

24 (b) Second, if the consolidated tax levy rate still exceeds these
25 limitations, the certified property tax levy rates of flood control
26 zone districts shall be reduced on a pro rata basis or eliminated;

27 (c) Third, if the consolidated tax levy rate still exceeds these
28 limitations, the certified property tax levy rates of all other junior
29 taxing districts, other than fire protection districts, library
30 districts, the first fifty cent per thousand dollars of assessed
31 valuation levies for metropolitan park districts, and the first fifty
32 cent per thousand dollars of assessed valuation levies for public
33 hospital districts, shall be reduced on a pro rata basis or eliminated;

34 (d) Fourth, if the consolidated tax levy rate still exceeds these
35 limitations, the certified property tax levy rates authorized to fire
36 protection districts under RCW 52.16.140 and 52.16.160 shall be reduced
37 on a pro rata basis or eliminated; and

38 (e) Fifth, if the consolidated tax levy rate still exceeds these
39 limitations, the certified property tax levy rates authorized for fire

1 protection districts under RCW 52.16.130, library districts,
2 metropolitan park districts under their first fifty cent per thousand
3 dollars of assessed valuation levy, and public hospital districts under
4 their first fifty cent per thousand dollars of assessed valuation levy,
5 shall be reduced on a pro rata basis or eliminated.

6 In determining whether the aggregate rate of tax levy on any
7 property, that is subject to the limitations set forth in RCW
8 84.52.050, exceeds the limitations provided in that section, the
9 assessor shall use the hypothetical state levy, as apportioned to the
10 county under RCW 84.48.080, that was computed under RCW 84.48.080
11 without regard to the reduction under RCW 84.55.012.

12 **Sec. 16.** RCW 84.52.052 and 1996 c 230 s 1615 are each amended to
13 read as follows:

14 The limitations imposed by RCW 84.52.050 through 84.52.056, and RCW
15 84.52.043 shall not prevent the levy of additional taxes by any taxing
16 district except school districts in which a larger levy is necessary in
17 order to prevent the impairment of the obligation of contracts. As
18 used in this section, the term "taxing district" means any county,
19 metropolitan park district, park and recreation service area, park and
20 recreation district, water-sewer district, solid waste disposal
21 district, public facilities district, flood control zone district,
22 county rail district, service district, public hospital district, road
23 district, rural county library district, island library district, rural
24 partial-county library district, intercounty rural library district,
25 fire protection district, cemetery district, city, town, transportation
26 benefit district, emergency medical service district with a population
27 density of less than one thousand per square mile, ((or)) cultural
28 arts, stadium, and convention district, or city transportation
29 authority.

30 Any such taxing district may levy taxes at a rate in excess of the
31 rate specified in RCW 84.52.050 through 84.52.056 and 84.52.043, or
32 84.55.010 through 84.55.050, when authorized so to do by the voters of
33 such taxing district in the manner set forth in Article VII, section
34 2(a) of the Constitution of this state at a special or general election
35 to be held in the year in which the levy is made.

36 A special election may be called and the time therefor fixed by the
37 county legislative authority, or council, board of commissioners, or
38 other governing body of any such taxing district, by giving notice

1 thereof by publication in the manner provided by law for giving notices
2 of general elections, at which special election the proposition
3 authorizing such excess levy shall be submitted in such form as to
4 enable the voters favoring the proposition to vote "yes" and those
5 opposed thereto to vote "no."

6 NEW SECTION. **Sec. 17.** Sections 1 through 14 of this act
7 constitute a new chapter in Title 36 RCW.

8 ***NEW SECTION. Sec. 18. This act is null and void if a regional**
9 **transportation act does not become law by December 31, 2002.**

10 ***Sec. 18 was vetoed. See message at end of chapter.**

Passed the Senate February 18, 2002.

Passed the House March 8, 2002.

Approved by the Governor March 29, 2002, with the exception of
certain items that were vetoed.

Filed in Office of Secretary of State March 29, 2002.

1 Note: Governor's explanation of partial veto is as follows:

2 "I am returning herewith, without my approval as to sections 7 and
3 18, Engrossed Substitute Senate Bill No. 6464 entitled:

4 "AN ACT Relating to city transportation authority;"

5 This bill will allow the voters of Seattle to decide if they want
6 to impose taxes to pay for a monorail system.

7 Section 7 of the bill contained a drafting error that would have
8 inadvertently required two public votes, rather than one. Because
9 sections 2, 9, 10, and 11 all ensure a public vote, vetoing this
10 section will not affect the requirement of voter approval. This
11 section also included language requiring a plan and public hearings;
12 however, section 3 and other parts of the bill provide sufficient
13 opportunities for the city council to ensure an open, public process
14 and careful consideration of any monorail plan.

15 Section 18 would have rendered the entire bill null and void if a
16 "regional transportation act does not become law by December 31, 2002."
17 On March 21, 2002, I signed into law a regional transportation act,
18 Engrossed Second Substitute Senate Bill No. 6140, making section 18
19 moot. Vetoing the moot section will help reduce confusion.

20 For these reasons, I have vetoed sections 7 and 18 of Engrossed
21 Substitute Senate Bill No. 6464.

22 With the exception of sections 7 and 18, Engrossed Substitute
23 Senate Bill No. 6464 is approved."